

**pennsylvania**

DEPARTMENT OF TRANSPORTATION

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April 29, 2019

Cherry Hill Construction, Inc.
Mr. Damon M. Petrillo, P.E.
8211 Washington Boulevard
Jessup, MD 20794

York County; SR 0083-040
Contract No. 62880
Assessment of CELD's & RULD's

Dear Mr. Petrillo:

This letter is a follow up to previous Department issued letters dated December 20, 2018 and February 14, 2019 regarding the Assessment of Construction Engineering Liquidated Damages (CELD's) and Road User's Liquidated Damages (RULD's), respectively.

As initially discussed at the Executive Level Meeting held on December 13, 2018, the accrued CELD's and RULD's for which CHC is liable under the contract have not been deducted from project estimates. The Department, while reserving all rights, as a courtesy to CHC and at CHC's request, refrained from withholding the accrued liquidated damages from estimate payments during the pendency of ongoing negotiations relating to certain outstanding disputes. Given that those negotiations appear to have broken down, the Department, in accordance with the contract, will withhold all liquidated damages for which CHC is liable under the contract from estimate payments otherwise due CHC.

This means, specifically, the accumulated CELD's for which CHC is liable under contract will be deducted from amounts due on all future estimates. CHC is liable for CELD's of \$5,825.00 for each day that any physical work remains uncompleted after the extended Project Completion Date of November 12, 2018. Through March 31, 2019, the CELD's total \$809,675.00 and are continuing to accrue at the above-stated daily rate.

In addition, the contract Special Provisions, as modified by Time Extension 1, provide that the Southbound On-Ramp Detour using Temporary Ramp O is not to exceed a maximum of 519 calendar days, subject to RULD's in the amount of \$4,885.00 per day. Temporary Ramp O was opened to traffic on September 8, 2017. The maximum duration of 519 days was exceeded starting on February 10, 2019. Through March 31, 2019, the RULD's total \$244,250.00 and continue to accrue at the above-stated daily rate.

As a further reminder, per the contract as also modified by Time Extension 1, CHC will be liable for additional RULD's at the rate of \$14,000.00 for each day in excess of 1,357 calendar days that the I-83 Northbound and Southbound Long-Term Speed Reduction remains in effect and I-83 is thereafter not open to unrestricted traffic in all lanes. The Long-Term Speed

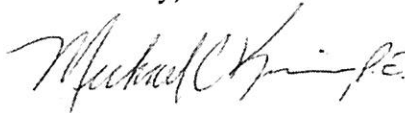
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Reduction was implemented on November 2, 2015 and, by contract, should end on July 20, 2019.

In summary, the Department will deduct all accumulated CELD's and RULD's from the amounts due CHC on all future estimates, effective immediately. As previously stated, the Department has not revised the extended Project Completion Date of November 12, 2018.

If you have any questions, please contact Vaughn N. Schlachter, P.E., District Construction Engineer, at 717-787-5070.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael C. Keiser, P.E.", with a stylized flourish at the end.

Michael C. Keiser, P.E.
District Executive

VNS/JPJ
(York SR 0083-040 CELD'd & RULD)